

Committee on Transportation and Infrastructure U.S. House of Representatives Washington DC 20515

Peter A. Defazio Chairman Katherine W. Dedrick Sam Graves Ranking Member Paul J. Sass

Minority Dissenting Views

Committee on Transportation and Infrastructure (T&I or Committee) Republicans adamantly oppose the Committee's budget reconciliation recommendations, as amended, and ordered to be transmitted on September 15, 2021. The Majority's recommendations, as amended, are the product of a convoluted, rushed, and partisan process. In accordance with budget reconciliation instructions, the Majority's recommendations raise spending under the Committee's jurisdiction by almost \$60 billion with no consideration for how Americans will be forced to pay for these irresponsible spending decisions. ¹

Overall, S. Con. Res. 14 would direct \$3.5 trillion in new spending. The Majority claims that they are forging ahead with the true will of the American people. However, a recent poll notes that a majority of Americans do not support this budget reconciliation effort.² Six out of 10 Americans instead favor a "strategic pause," which Senator Joe Manchin (D-WV) also recently called for.³ Due to the razor thin Democratic majorities in the House and Senate, partisan bills will be difficult to pass. Given this reality, the Majority is co-opting this limited reconciliation process to pass its priorities without having to meet the 60-vote threshold in the Senate. Currently, however, there are growing signs that even the Senate may fail to pass S. Con. Res. 14, as more Senators voice opposition to its reckless spending and the burdensome debt it would create for future generations.

Inflation is ticking up at a quick pace. Over the last twelve months, the Consumer Price Index (CPI) has risen by 5.3 percent.⁴ In fact, the CPI increased by half a percent in the month of July alone.⁵ This means that Americans are paying more for energy (23.8 percent), food (3.4 percent), and nearly all other commodities.⁶ The government cannot continue spending money like there are no consequences. The effects are real: government spending is driving up inflation.

¹ The amendment in nature of a substitute to the Committee Print prior to amendments totaled \$57.27 billion.

² Exclusive Poll: Americans Favor Manchin's "Strategic Pause", AXIOS (Sept. 9, 2021), available at https://www.axios.com/manchin-budget-reconciliation-spending-poll-ba711bea-c5ca-4600-b5cb-218ec0105643.html?utm_source=twitter&utm_medium=social&utm_campaign=editorial&utm_content=politics-manchin,

 $^{^{3}}Id$.

⁴ Consumer Price Index – August 2021, USDL-21-1644, Bureau of Labor Statistics (Sept. 14, 2021), available at https://www.bls.gov/news.release/pdf/cpi.pdf.

⁵ *Id*.

⁶ *Id*.

President Biden promised that he would not enact new taxes on those making \$400,000 or less, but that is exactly what his spending plans are doing. As inflation increases, it raises interest rates, which lowers the real after-tax return. In other words, when goods and services cost more, paychecks are not worth as much. After spending \$6 trillion in 2020, Congress is not in a position to spend another \$7 trillion or more this year. But that is exactly what the Majority is doing, and the \$3.5 trillion in S. Con. Res. 14 is a cornerstone of their tax and spend agenda. But the state of the spending \$10 to the spending \$10

Rather than promoting unbridled spending, Congress should be focused on higher priorities. Congress should be addressing the shameful, tragic, and chaotic withdrawal from Afghanistan and the recoveries from severe disasters across our Nation, such as the wildfires in the west and Hurricane Ida, which devasted areas of Louisiana, Mississippi, New York, New Jersey, Pennsylvania, and elsewhere. At the markup, T&I Committee Democrats even seemed to recognize the botched withdrawal and needs for accountability. Mr. Gibbs of Ohio offered an amendment restricting expenditure of the funds provided under this act until the Comptroller General provided an accounting of any materiel left in Afghanistan by the Coast Guard and Army Corps of Engineers. After Chair DeFazio provided comments indicating an agreement on the need for it with his primary concern being over the restriction on the expenditure of funds, Mr. Graves of Louisiana amended the amendment to strike the restriction on the expenditure of funds, and both the second degree amendment and primary Gibbs, as amended, were adopted by voice vote.

Sadly, that early moment of agreement on important issues, was cast away when it came to the needs of disaster victims. Mr. Graves of Louisiana offered an amendment to reduce the amount provided for transit funding by \$3.5 billion, and to provide that amount for the Maritime Transportation System Emergency Relief program. Chair DeFazio sponsored the bipartisan legislation in the last Congress to establish this emergency relief program. This would provide financial assistance to states and maritime industry entities during an emergency such as the COVID-19 pandemic, or recovery from disasters such the recent Hurricane Ida. No funding has been provided for the program in COVID relief packages or appropriations bills. This amendment would have provided funds needed now for current ongoing emergencies, and particularly would have strengthened the maritime transportation supply chain which is under severe strain from a COVID related cargo surge. However, the Committee Democrats unanimously opposed and the amendment failed 26 yeas to 39 nays.

Mr. Graves of Louisiana further offered amendments to provide additional funds

⁷ Lorie Konish, *Biden Promises No New Taxes On Anyone Making Less than \$400,000. Experts Doubt He Can Keep That Pledge*, CNBC, (April 28, 2021), https://www.cnbc.com/2021/04/28/biden-promises-no-new-taxes-on-anyone-making-less-than-400000.html.

⁸ Bayoumi and Gagnon, *Taxation and Inflation: A New Explanation for Current Account Imbalances*, Board of Governors of the Fed. Reserve System International Finance Discussion Papers No. 420 (Jan. 1992), *available at* https://www.federalreserve.gov/pubs/ifdp/1992/420/ifdp420.pdf.

⁹ Andrew Van Dam, *The U.S. Has Thrown More Than \$6 Trillion at the Coronavirus Crisis. That Number Could Grow*, WASH. POST (April 15, 2020), available at

https://www.washingtonpost.com/business/2020/04/15/coronavirus-economy-6-trillion/.

¹⁰ What's In Biden's \$6 Trillion Budget Plan, WSJ (May 28, 2021), available at https://www.wsj.com/articles/whats-in-bidens-6-trillion-budget-plan-11622223706.

to the Federal Emergency Management Agency's (FEMA) Disaster Relief Fund (DRF) and the Economic Development Administration (EDA) for economic recovery assistance for recent disasters, including Hurricane Ida. He also offered an amendment to provide funding for disaster victims, going back to Hurricane Sandy, who are trying to rebuild their homes but are saddled with debt because of FEMA's position that a loan is considered a duplication of benefits. Mr. Graves' amendment to provide additional DRF funds failed by a vote of 28 yeas to 37 nays. In this case though, one Democratic member, Mr. Cohen of Tennessee, agreed with Committee Republicans that the need was great for disaster victims and urged his colleagues to vote in favor – as he did. This was the only time in markup that a member of the Majority voted in favor of a Republican amendment during a roll call vote.

As noted, Mr. Cohen pleas to consider the disaster victims on his side fell on deaf ears as the Committee Majority argued that these funds were unnecessary given the balances in the DRF, yet they failed to acknowledge reports that the Biden Administration has indicated a need for additional DRF funds, economic recovery is not eligible under the DRF, and S. Con. Res. 14 itself includes unnecessary funding duplicative of the Senate-passed infrastructure package and already funded programs. A second degree amendment offered by Mr. Rouzer of North Carolina to clarify that economic recovery assistance is eligible under the DRF was also rejected; although Chair DeFazio committed to working with Mr. Rouzer on this issue moving forward. Committee Republicans continue to believe the need to help disaster victims should the priority over this reckless reconciliation spending.

Mr. Webster of Florida offered an amendment to prohibit the use of FEMA personnel and resources to assist in immigration missions along the southwest border until the Department of Homeland Security (DHS) provides Congress with a comprehensive strategy on managing the impact of COVID-19 along the border to protect federal personnel and law enforcement, State and local communities, and the migrants themselves. His amendment would have also asked the Government Accountability Office (GAO) to evaluate the impact of such operations on FEMA's readiness to respond to natural disasters. The Committee Majority expressed concern about the use of FEMA resources in this way but noted that only a handful of FEMA personnel are currently engaged in such activities. Yet, DHS acknowledges FEMA continues to be engaged. 12 The Majority also refused to acknowledge concern about DHS's management of COVID along the border, despite the findings of the DHS Office of Inspector General concluding,"[w]ithout stronger COVID-19 prevention measures in place, DHS is putting its workforce, support staff, communities, and migrants at greater risk of contracting the virus." 13 Mr. Webster's amendment failed by a vote of 30 yeas to 35 navs.

Clearly, this partisan reconciliation vehicle has been prioritized over real infrastructure needs. Speaker Pelosi, rather than independently taking up the

¹¹ Josh Boak, *Biden Seeking Additional Funds for Ida Relief and Afghans*, ASSOCIATED PRESS, (Sept. 7, 2021), available at https://abcnews.go.com/Politics/wireStory/biden-seeking-additional-funds-ida-relief-afghans-79878230

¹² Letter from DHS Secretary Mayorkas to Representatives Sam Graves and Daniel Webster, (Aug. 20, 2021).

¹³ DHS Needs to Enhance Its COVID-19 Response at the Southwest Border, OIG-21-60, Dept. of Homeland Security Office of Inspector General, (Sept. 10, 2021).

infrastructure bill negotiated by the White House and Senators, has explicitly tied that bill to this highly partisan, multi-trillion-dollar reconciliation package. The Majority's failure to legislate in the best interests of America's infrastructure is particularly alarming, as the authorization for surface transportation programs will lapse on September 30, 2021. As Committee Republicans, we have watched with great concern as these events developed and as the Majority's leadership even denied their own party Members' pleas to unlink the infrastructure legislation and reconciliation measure. Unfortunately, our Committee and its bipartisan track record have been sidelined at this critical time for infrastructure issues by the Speaker's own shortsightedness and willingness to pander to the most progressive wing of her party. Sadly, even the Chair, in order to garner support for the reconciliation process, was forced to back away from repeated previous statements that his infrastructure bill would follow regular order and be conferenced with the Senate.

Broadly speaking, under the White House-Senate agreement on the Senate infrastructure bill, policy items that were litigated and addressed in the Senate bill were not to be reopened in the reconciliation process, a prohibition referred to as "double dipping." Although the Chair has noted publicly that he was not party to the White House-Senate agreement and stated that he would look for opportunities to double dip, we point out that there are numerous provisions within the Committee's budget reconciliation recommendations, as amended, that violate the White House-Senate agreement and re-open issues where they already found compromise. ¹⁴

First, there is additional funding for transit. For example, section 110001 provides \$10 billion for an "affordable housing access program". Mr. Burchett of Tennessee offered an amendment to strike this provision which failed by voice vote. During debate, the Majority claimed that the program is not duplicative as it provides transit investments, including first and last mile connections, in communities that are "often overlooked." They argued that the program is "far outside the scope of our traditional transit programs." This is not accurate. The Senate infrastructure bill, which provided \$91.2 billion over five years in guaranteed transit funding and another \$15.8 billion subject to future appropriation action, contains transit programs that provide the exact same eligibilities that this program funds. Therefore, this program is an example of double-dipping and a clear violation.

Similarly in violation of the double-dip agreement, the recommendations allocate \$10 billion to fund high-speed passenger rail (HSR) projects. HSR was addressed in the Senate infrastructure bill through the new Federal-State Partnership for Intercity Passenger Rail program and through funding Amtrak's high-speed Acela service. Moreover, prominent HSR projects in California and Texas have struggled with several major issues, including permitting problems, eminent domain fights, delays and cost overruns, and questions about consumer demand and future government subsidies to operate. In light of such serious concerns, any federal money for passenger rail should instead be spent on maintenance and upgrades to the Amtrak system consistent

¹⁴ Jacqueline Alemany, *Power Up: Will House Democrats have a "double dipping" problem?*, WASH. POST, Aug. 20, 2021, *available at* https://www.washingtonpost.com/politics/2021/08/20/power-up-will-house-democrats-have-double-dipping-problem/.

with the government's existing Amtrak funding obligations. Accordingly, Mr. LaMalfa of California offered an amendment to strike this provision which failed by a roll call vote of 29 yeas to 38 nays.

Mr. Westerman of Arkansas introduced an amendment that would have prohibited funding for any transactions involving the Organization of the Petroleum Exporting Countries (OPEC) and OPEC+ for the purchase or import of foreign oil before first using domestic energy resources, including completion and use of the Keystone XL pipeline. The amendment focused on supporting America's energy independence that grew under President Trump but that have shrunk under the Biden Administration. The amendment also emphasized the safety and reliability of moving cheap energy via pipelines such as Keystone XL and other similar projects in the United States. The amendment failed by a roll call vote of 30 yeas to 36 nays.

Additional examples of provisions that violate the double dip agreement include Section 110003, Neighborhood Access and Equity Grants, which provides \$4 billion for the removal, remediation, and retrofit of surface transportation facilities. This program already receives \$1 billion in the Senate bill. Furthermore, Section 110004, Federal Highway Administration (FHWA) Section 202 Funds; and Section 110005, Territorial Highway Program Funding, both received funding in the Senate bill, violating the agreement to not double dip.

Chief among these partisan provisions is the pervasive interweaving of climate change policy throughout programs under the Committee's jurisdiction. This foundational pillar of the Majority's recommendations removes the focus from our core highway, bridge, and water programs, limits state flexibility through top-down directives, and favors urban areas over rural America.

The Majority included Section 110002, Community Climate Incentive Grants, which would direct the FHWA to establish a greenhouse gas (GHG) performance measure, a State incentive structure to reward the states with the most GHG reduction progress, and establish "consequences" for states that do not meet standards. Additionally, the provision prevents funding for projects "that result in additional through travel lanes for single occupant passenger vehicles." These policies were included in the Majority's INVEST Act. However, the \$50 million provided for the establishment of the GHG performance measure may trigger the Senate Byrd Rule, as this is an egregious policy provision disguised as funding. The Senate considered these policies and chose not to include them in the Senate bill; therefore, their inclusion now could violate the agreement to not double-dip. Mr. Babin of Texas introduced an amendment to strike only the \$50 million to establish the GHG performance measure, which failed by a roll call vote of 30 yeas to 36 nays. Given this, the Majority voted to limit state flexibility and create top-down climate mandates knowing this could trigger Byrd Rule violations and pose double- dip concerns. But apparently, Byrd rules concerns only apply as a talking point during Committee debate against common-sense Republican amendments rather than the Majority's own recommendations.

An important funding priority that supposedly has bipartisan support, providing truck parking, was not included in the Majority's recommendations. This failure to improve safety by increasing parking spaces available to truckers is unconscionable. Time and again, truckers have

delivered for Americans – safely, securely, and on time. But in order to continue to do their jobs, they need more places to safely park. Only one truck space is available for every eleven truckers. His Support didn't result in any funding for parking in the first reconciliation bill, in the COVID packages, or in the Senate infrastructure bill. Mr. Bost of Illinois offered an amendment to provide \$1 billion for truck parking by reducing funding from the proposed Community Climate Incentive Grants program. The Majority rejected this amendment on a partisan roll call vote of 29 yeas to 36 nays, and also rejected offers to remove this offset entirely or lower the proposed amount in an attempt to find common ground. The Majority found money to set new GHG performance standards, fund high-speed rail, and give transit \$10 billion at a time when the Federal Transit Administration (FTA) has already seen an historic level of federal funding over the last year and a half. Unfortunately, during the middle of National Truck Driver Appreciation Week, the Committee Majority rejected offers to help America's truckers.

Surprisingly, the Majority also rejected or gutted amendments that sought to curtail China's influence over American goods and industry. The Majority chose their Green New Deal agenda over our country's National security and economic interests. As a result, America will be forced to rely on China, which owns or controls 70 percent of the world's supply of cobalt, which is required for critical minerals and used to manufacture key components of vehicles the Majority's bill favors. ¹⁶ The Majority's position on Republican amendments ignored that China is a known human rights violator that uses child labor and forced slave labor to mine its minerals. The Majority's policy choice also fails to recognize, or possibly willfully ignores, the reality that reliance on the Chinese government means handing money over to the world's worst polluter in order to say that we are furthering green initiatives here in America. Additionally, the Majority will not support mining these minerals here in the United States, where we could ensure environmental and labor protections. Instead, the Majority refuses to let these inconvenient truths get in the way of their narrative about how far their measure goes to address climate change.

Mr. Stauber of Minnesota again offered an amendment to ensure that funding in this bill is not used to purchase or procure goods, materials, and minerals produced or sourced using forced or child labor. However, Chair DeFazio offered a second-degree amendment that stripped the force of the Stauber amendment and passed by voice vote. Therefore, nothing in the recommendations will curtail China's influence over our goods and industries. The Stauber amendment and the Westerman amendment, previously noted, are just two examples of how Republicans addressed the hypocrisy of the Majority's recommendations, which seek to advance a supposedly "green" agenda at home while ensuring that the United States relies even more heavily on countries with environmental and labor standards much lower than the United States.

The Majority's pursuit of a socialist agenda comes as no surprise when considering the propensity of the Biden Administration to impose heavy-handed mandates unsupported by current science, under the guise of equity and good government. Mr. Crawford of Arkansas offered an amendment to ensure no funds are used to impose the Administration's sweeping

¹⁶ Top Cobalt Production by Country, INVESTING NEWS, (June 21, 2021) https://investingnews.com/daily/resource-investing/battery-metals-investing/cobalt-investing/top-cobalt-producing-countries-congo-china-canada-russia-australia/#:~:text=China%20leads%20the%20world%20in,terms%20of%20unrefined%20cobalt%20production..

¹⁵ Federal Legislation Would Address Significant Challenge for Drivers, American Trucking Associations (March 29, 2021), https://www.trucking.org/news-insights/ata-lauds-congressional-effort-improve-availability-truck-parking-0.

vaccine mandate and restrict Americans' access to federal buildings for essential services such as social security and medical services for veterans. The Crawford amendment failed by a vote of 29 yeas to 34 nays. During debate, Mr. Massie of Kentucky offered a second degree amendment to the Crawford amendment to further ensure such mandates would not be used to impede travel; which was rejected by a vote of 29 yeas to 36 nays. Many Americans, as the result of this Administration's regulatory overreach, already have grave concerns about the government's willingness to impinge upon their personal freedoms and privacy.

The government overreach continues to be a concern as jurisdictions fall subject to calls to "defund the police." However, the Majority rejected an amendment offered by Mr. Nehls of Texas to prevent states and jurisdictions that have proactively chosen to defund their police force from using Federal funds to backfill their disinvestment. The amendment would have in no way reduced the Federal funding a state receives or prevented the use of those NHTSA dollars from being used in other ways to improve safety; it simply would have closed a potential loophole that could allow a jurisdiction that has defunded the police to continue to fund law enforcement activities with NHTSA dollars. Although this amendment simply would have affirmed the actions a jurisdiction has already taken, the amendment failed by a partisan roll call vote of 29 yeas to 36 nays.

Mr. Rouzer of North Carolina also offered an amendment to address the Biden Administration's rushed process to repeal and replace the Trump Administration's Waters of the United States (WOTUS) rule. The Administration's decision throws a settled regulatory situation into turmoil, affecting numerous sectors of the American economy, including transportation, agriculture, housing, and many others. This June, the Environmental Protection Agency (EPA) and the U.S. Army Corps of Engineers (Corps) announced they would begin the replacement process of the former rule and by August started a series of public meetings and a 30-day comment period for questions posed to the regulated community, which was a wholly inadequate period of time for public input. To remedy this misstep and provide greater needed transparency, the amendment would have required the Agencies to reopen the comment period for an additional 60 days to give the public more time to develop and provide meaningful comments to the Agencies. The amendment would have also directed the EPA and the Corps to conduct a study of the economic burdens to stakeholders where projects involve WOTUS by studying the costs to applicants of permit issuance and compliance under *Clean Water Act* (CWA) Sections 402 and 404. This amendment failed by a vote of 30 yeas to 36 nays.

As demonstrated by the failure to meaningful consider Republican amendments, this reconciliation package is just another progressive wishlist, led by the Speaker and developed and passed on a completely partisan basis, which will amount to nothing more than a messaging exercise that fails to improve our Nation's core infrastructure. The Majority's reconciliation recommendations will not spur infrastructure projects and job growth, will not reduce inflation, and will not promote the safe and efficient transportation of goods and people. Their reconciliation recommendations fail not

¹⁷ The Navigable Waters Protection Rule: Definition of "Waters of the United States", Final Rule, 85 Fed. Reg. 22250 (Apr. 21, 2020).

¹⁸EPA, Army Announce Intent to Revise Definition of WOTUS (June 9, 2021) https://www.epa.gov/newsreleases/epa-army-announce-intent-revise-definition-wotus; Notice of Public Meetings Regarding "Waters of the United States", Establishment of a Public Docket; Request for Recommendations, 86 Fed. Reg. 41911 (August 4, 2021).

only because they overspend and grow the government, but also because they put forward unwise policies that will lead to more wasteful spending. We may have different views on what the size of government should be, but there should be agreement that – however large the government, spending should not temporarily gloss over problems that will simply increase costs and global carbon emissions down the road.

The Majority's recommendations further their reckless need to spend taxpayers' money instead of pursuing a bipartisan process to carefully identify and address the Nation's true infrastructure needs. This measure will only grow worse as it is merged with other committees' components, because bipartisanship in the House was rejected before the process began. We are concerned that the House Committee on the Budget will only pile on more spending, checking any remaining boxes on the Majority's progressive wish list. For all of these reasons, we strongly oppose the Committee's budget recommendations as well as the partisan reconciliation bill both of which are being compiled without any input from the Members speaking for more than 72 million voters.

Sam Graves

Ranking Member

BA Dill

Bob Gibbs

Ranking Member Subcommittee on Coast Guard

and Maritime Transportation

Rodney Davis

Ranking Member

Subcommittee on Highways and

Transit

David Rouzer

Ranking Member

Subcommittee on Water Resources

and Environment

Ranking Member

Subcommittee on Aviation

Daniel Webster

Ranking Member

Subcommittee on Economic

Development, Public Buildings,

and Emergency Management

Eric A. "Rick" Crawford

Ranking Member

Subcommittee on Railroads,

Pipelines, and Hazardous Materials